

ORDINANCE NO. _____

AN ORDINANCE DEFINING “PORTFOLIO MANAGEMENT SERVICES FOR THE NORTH LITTLE ROCK ELECTRIC DEPARTMENT” TO BE A PROFESSIONAL SERVICE UNDER ARKANSAS LAW; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.

WHEREAS, Ark. Code Ann. § 19-11-801, et seq., provides the method cities use to procure professional services, such as legal, financial advisory, architectural, engineering, construction management, land surveying and such other professional services as are defined by two-thirds (2/3) vote of city council; and

WHEREAS, the law for the procurement of professional services requires that selection is based upon analysis of professional qualifications rather than bidding; and

WHEREAS, the North Little Rock Electric Department (“NLRED”) currently contracts separately for (1) bilateral trading services, portfolio management services, and regulatory reporting services; and (2) MISO (Midcontinent Independent System Operator) support services; and

WHEREAS, the City believes that it is in the best interest of the City and its residents, that City employ an individual and/or firm to provide all the services set out above, to all be encompassed within the definition of “portfolio management services” as defined herein; and

WHEREAS, the City believes that the most advantageous method to employ an individual and/or firm to provide portfolio management services is through the RFQ process provided by State law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That Portfolio Management Services for the North Little Rock Electric Department is hereby defined to be a professional service under Ark. Code Ann. § 19-11-801, et seq. This professional service shall include:

- Electricity Bilateral Trading Services to include market price discovery; negotiating and executing bilateral transactions; arranging required transmission services; coordinating settlement, billing and payments of bilateral transactions; and generating reports providing transaction details, including pricing and impact to NLRED’s portfolio position
- Hedging Services to include assistance in the formulation and execution of a hedging strategy in compliance with the North Little Rock Electric Department Energy Risk Management Policy, adopted by Ordinance No. 9292 on October 26, 2020, as may be amended from time to time.

- Completion and submission of required regulatory reports for Regional Reliability Organizations, Commodities Futures Trading Commission, and Federal Energy Regulatory Commission
- MISO market participant services, including load scheduling, capacity submissions, load forecasting, credit monitoring, compliance with MISO market rules, and shadow settlement services
- MISO transition services to ensure that the portfolio manager can establish itself as NLRED's representative in NLRED's MISO market participant account prior to the effective date of the contract for portfolio management services.

SECTION 2: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 3: That the provisions of this Ordinance are hereby declared to be severable and if any section, phrase or provision shall be declared or held invalid, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 4: It is hereby found and determined that portfolio management for the North Little Rock Electric Department is an important interest to the City, that the passage of this Ordinance is important to ensure that the City can serve the electric loads of its customers in a reliable, responsible, and affordable manner and to optimize the value of its power supply assets; and being necessary for the immediate preservation of the public health, safety and welfare; THEREFORE, an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from and after its passage and approval.


PASSED:

APPROVED:

Mayor Terry C. Hartwick

SPONSOR:

ATTEST:



Mayor Terry C. Hartwick

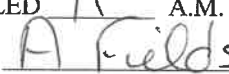
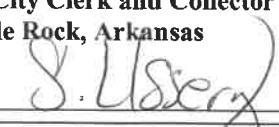
Diane Whitbey, City Clerk

APPROVED AS TO FORM:



Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/ABF

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| FILED | 11 | A.M. | _____ | P.M. |
| By |  | | | |
| DATE | 7-6-21 | | | |
| Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas | | | | |
| RECEIVED BY |  | | | |